

**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE FORMER WOODFORD COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period July 1, 2003
Through January 31, 2004**



**CRIT LUALLEN
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CRIT LUALLEN
AUDITOR OF PUBLIC ACCOUNTS

Independent Accountant's Report

Robbie Rudolph, Secretary, Finance and Administration Cabinet
The Honorable Jim Owen Gaines
Former Woodford County Property Valuation Administrator
Woodford County, Kentucky

We have performed the procedures enumerated below, which were agreed to by the former Woodford County Property Valuation Administrator, solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period July 1, 2003 through January 31, 2004. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the former Woodford County Property Valuation Administrator. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the Property Valuation Administrator has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month.

Finding -

We determined that the former Property Valuation Administrator did maintain a receipts and disbursements ledger but failed to reconcile bank records each month. Per discussion with bookkeeper, it was determined that bank statements are scanned to determine that the receipts and disbursements per the bank agree with the Property Valuation Administrator's records. For documentation purposes, we recommend that a written reconciliation be performed to agree bank records to the books.



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2. Procedure -

Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

As of January 31, 2004, no payments have been received from the city governments. Per invoices prepared by the Property Valuation Administrator's office, the total amount due from city governments is \$30,464.42. Since fiscal year 2004 has not yet been completed, we recommend that the Property Valuation Administrator monitor receipts to ensure that all payments due from the city governments are received.

3. Procedure -

Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Revenue Cabinet. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the Property Valuation Administrator's local bank account.

Finding -

Auditor traced payments from the Woodford County Treasurer's list of budgeted statutory payments made to and on behalf of the Property Valuation Administrator for the period July 1, 2003 through January 31, 2004. Our test found that all payments have been made by the fiscal court. The fiscal court owes the Property Valuation Administrator \$12,700 (\$10,058.50 to be paid to the Kentucky State Treasurer and \$2,641.50 to be paid directly to the Property Valuation Administrator's office) for the last quarter of fiscal year 2004. Since fiscal year 2004 has not yet been completed, we recommend that the Property Valuation Administrator monitor receipts to ensure that all payments due from the fiscal court are received.

4. Procedure -

Select a sample of disbursements from available Property Valuation Administrator's records and agree amounts to cancelled checks, paid invoices, or other supporting documentation. Determine if the expenditure is for official business.

Finding -

No exceptions noted.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets.

Finding -

No exceptions noted

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(Continued)

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

No exceptions noted.

We were not engaged to and did not perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion or limited assurance. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Property Valuation Administrator and the Department of Revenue and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", with a long horizontal flourish extending to the right.

Crit Luallen
Auditor of Public Accounts

Engagement fieldwork completed -
March 25, 2004

